



City of
Peterborough

To: **Members of the General Committee**

From: **Richard Freymond, Commissioner of Corporate and
Legislative Services**

Meeting Date: **March 14, 2022**

Subject: **2022 Debenture Issue
Report CLSFS22-013**

Purpose

A report to recommend the approval of borrowing by-laws for the issuance of debentures in a maximum principal amount totalling \$24,885,200 to fund certain capital works.

Recommendations

That Council approve the recommendations outlined in Report CLSFS22-013 dated March 14, 2022, of the Commissioner of Corporate and Legislative Services, as follows:

- a) That the necessary borrowing by-laws be approved to borrow funds up to a maximum of \$24,885,200 to finance City capital projects, and for terms not to exceed the terms indicated on Appendix A, attached to Report CLSFS22-013;
- b) That the Treasurer be authorized to apply to Ontario Infrastructure and Lands Corporation to borrow these funds; and
- c) That a by-law be passed to authorize the 2017 portion of the Cleantech Commons project (formerly the Trent Research and Innovation Park project) at an estimated cost of \$1,500,000 and the issuing of lease-supported debentures to a maximum of \$1,500,000 to finance the work.

Budget and Financial Implications

The legal fees are estimated to be approximately \$15,000 and can be accommodated within the \$30,000 approved in the 2022 Operating Budget for Debenture Expenses. Any other fees associated with the issue, such as commission fees, are built into the 'all-in' rates. Actual charges payable will depend on the all-in debenture rates secured for the issue when finalized. Currently the rates are 2.89%, 3.14% and 3.30% for a 10-year, 15-year and 20-year serial debenture, respectively.

Background

With the exception of the 2017 portion of the Cleantech Commons project (formerly the Trent Research and Innovation Park project) at an estimated cost of \$1,500,000, the projects listed on Appendix A, attached to Report CLSFS22-013, have been authorized by City Council to be financed in whole, or in part, through debentures. Subsequent to budget approval, by-laws authorizing the portion of the work to be financed from debentures were passed. The by-laws included a statement by the City Treasurer attesting to the fact that future principal and interest repayments on the debt to be issued can be accommodated within limits as prescribed in Ontario Regulation 403/02 of the **Municipal Act, 2001**.

At the time of the 2017 Capital Budget, Council approved Project 7-3.01 in the amount of \$1,500,000 for the 2017 portion of the Cleantech Commons project, fully funded from lease-supported debentures. A by-law is required to authorize the issuance of these debentures.

Staff will monitor the market and determine the best approach to issue the debt, although in all likelihood, the debentures will be issued through Ontario Infrastructure and Lands Corporation (Infrastructure Ontario), an agency of the Ontario Government. Staff will submit a non-binding application to Infrastructure Ontario while investigating other alternatives. A Borrowing by-law and Debenture by-laws will be presented for approval at the appropriate time.

Submitted by,

Richard Freymond
Commissioner of Corporate and Legislative Services

Contact Name:

Yvette Peplinskie

Manager of Financial Services

Phone: 705-742-7777 Ext. 1862

Toll Free: 1-855-738-3755

Fax: 705-876-4607

E-Mail: yveplinskie@peterborough.ca

Attachment:

Appendix A – City of Peterborough - 2022 Debenture Issue

Appendix A – City of Peterborough - 2022 Debenture Issue

Ref	Project Description	By-Law	Debenture Amount Approved \$	Already Debentured \$	Maximum Debenture Not to Exceed These Terms \$		Total Maximum Funding Source \$
					10 Years	20 Years	
	TAX SUPPORTED						
1	Airport - East of Airport clearing	16-136	127,800			127,800	
2	Louis St Urban Park	15-182	4,200,000	0		4,200,000	
		15-015	190,000	0		190,000	
		14-003	350,000	0	350,000		
3	Cleantech Commons	16-133	1,000,000	0		1,000,000	
4	Crawford Dr Extention to Harper Rd	19-003	550,000	0		550,000	
5	Parkhill - Wallis to City Limits reconstruction	19-016	130,000	0		130,000	
		12-027	1,300,000	1,300,000			
		15-183	650,500	650,500			
		17-150	350,000	350,000			
6	Moorecraig and Roper Dr Reconstruction	19-013	390,000	0		390,000	
7	Roads with PCI index less than 25	16-152	150,000	0		150,000	
8	LED Lighting Retrofit King St Parking	21-044	100,000	0		100,000	
9	Property Acquisitions and Improvements	16-150	380,000	0		380,000	
10	IPS Property Upgrades (Airport Terminal Generator)	20-006	200,000	0		200,000	
11	Sidewalk Reconstruction 2021	21-023	1,272,900	0		1,272,900	
12	Sidewalk Reconstruction 2019	19-018	1,235,800	0		1,235,800	
	Total Tax Supported						10,276,500
	WASTEWATER RESERVE FUND (WWRF)SUPPORTED						
13	Sanitary Sewer Rehab	21-022	564,200	0		564,200	
14	Storm Sewer Rehabilitation Program	21-024	500,000	0		500,000	
	Total WWRF Supported						1,064,200
	LEASE SUPPORTED						
15	Cleantech Commons	17-153	2,384,000	0		2,384,000	
		22-013	1,500,000	0		1,500,000	
	Total Lease Supported						3,884,000
	DEVELOPMENT CHARGES SUPPORTED						
16	Crawford Dr Extention to Harper Rd	19-003	2,250,000	0		2,250,000	
17	Parkhill - Wallis to City Limits reconstruction	20-015	3,000,000	0		3,000,000	
		19-016	2,750,000	0		2,750,000	
		13-044	2,114,500	2,114,500			
		15-183	2,225,000	2,225,000			
		17-150	600,000	600,000			
18	New Athletic Facilities Project - Holy Cross	19-014	1,480,500	0		1,480,500	
		17-149	180,000	0		180,000	
	Total Development Charge Supported						9,660,500
	Total - All Projects		32,125,200	7,240,000	350,000	24,535,200	24,885,200